



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

August 23, 2016

BY ECF AND E-MAIL

The Honorable Deborah A. Batts
United States District Judge
Southern District of New York
500 Pearl Street, Room 2510
New York, New York 10007

Re: United States v. William Shternfeld,
13 Cr. 657 (DAB)

Dear Judge Batts:

The Government respectfully submits this letter in connection with the sentencing of defendant William Shternfeld to provide the Court with additional information about forfeiture and restitution and to supply the Court with proposed orders of forfeiture and restitution for the Court's consideration in advance of sentencing scheduled for August 30, 2016.

In part because the charges included in the Information arose primarily out of the defendant's own admissions during proffer sessions, the Government's information about the financial details of these crimes are incomplete and based largely on the defendant's knowledge, which was understandably limited to the scope of his involvement in these sophisticated schemes. Accordingly, the Government is seeking forfeiture in the amount of \$4.8 million, which are the proceeds of the crimes that were derived from the defendant's direct involvement. Furthermore, the Government has only been able to identify victims of one of the defendant's securities fraud schemes — Lyons Ward & Associates — and the proposed order of restitution reflects the amount of money the defendant obtained from victims of that scheme. This order of restitution should be joint and several with co-defendants Mikhail Zemlyansky and

Michael Danilovich, Case No. 12 Cr. 171 (DAB/JPO), who were each ordered to pay \$4,547,362.92 in restitution to the victims of the Lyons Ward scheme.

Respectfully submitted,

PREET BHARARA
United States Attorney

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Encls.

cc: Lloyd Epstein, Esq.